First Amendment for U.S.S.N. 09/579,324 Attorney Docket No. HMD2000-1 Page 11

Section B- Amendments to the Specification

In the Specification

On page 6, line 16, please correct the spelling error by replacing "bulidings" with "buildings". The paragraph on page 6 which shows this correction is presented below:

"The present invention comprises methods and apparatus for delivering high quality digital signals to residential subscribers using the unused, excess capacity that is inherent in virtually all communication networks. In one preferred embodiment of the invention, satellites in low Earth orbit are employed to relay signals from a terrestrial gateway to subscribers in short bursts during the time that a satellite experiences underused capacity. Figure 1 illustrates this particular embodiment of the present invention. A satellite SAT in Earth orbit is capable of communicating with a ground station G. The ground station is connected to a terrestrial network, such as a public switched telephone network. When a satellite experiences a period of time when all its capacity is not utilized, the satellite can request an upload of data from the ground station. The ground station then sends packets of data to the satellite in short bursts. The satellite is capable of delivering packets of data to many different types of terminals, including residences R, office buildings buildings OB, cars and other vehicles C, aircraft A and boats B. The invention may be utilized to transmit signals to a wide variety of terminals, including cellular phones, personal digital assistants, portable computers and displays, or other intelligent appliances."

First Amendment for U.S.S.N. 09/579,324 Attorney Docket No. HMD2000-1 Page 12

On page 7, line 1, please correct the spelling error by replacing "heavily-encrypted" with "heavily-encrypted". The paragraph on page 7 which shows this correction is presented below:

"In this embodiment, digitized, heavily-encryted heavily-encrypted packets are beamed up to the satellite from a ground station that stores an electronic, digital copy of a copyrighted first-run motion picture. In one embodiment, the transfer of packets is accomplished using asynchronous transfer methods, and the packets are then routed to, and resequenced in order at their final destination. As shown in Figures 2 and 3, the encrypted packets are received by an active beam steering antenna ANT at the subscriber's premises R, and are stored in a set-top box STB which includes a large dual-partitioned array of computer hard drives. The set-top box is hard-wired to a wide screen display WSD. Packets may be received by the set-top box in very small increments over long periods of time. These incoming packets are stored in one of the two partitions in the set-top box. The second partition is used to supply on-demand unlimited-view programming while the first partition is filled incrementally. In one embodiment of the invention, programming is routed to the first partition over a one week period while the second partition is used for viewing. At the end of the one week period, the functions of the partitions are exchanged. The "old" programming on second partition the is replaced with the next weeks' fare, while the current programming is viewed using the first partition. This "rain-barrel" method of incrementally transporting data to a large storage device enables the utilization of the under-used capacity of a satellite network. The novel use of this method of distribution to a storage device which is securely integrated with an interactive viewing apparatus First Amendment for U.S.S.N. 09/579,324 Attorney Docket No. HMD2000-1 Page 13

provides secure distribution and viewing of copyrighted data. In one embodiment of the invention, the bulk of the download of programming from the satellite to the set-top box occurs during bursts that take place at night, when normal system traffic dwindles to levels far below peak day-time usage."